

# Agency IT Strategic Plan

Secretariat: Public Safety

Agency Code: 999

Agency: Department of Alcoholic Beverage Control

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## Agency Profile & Strategic Direction

### Agency Mission Statement:

Control the distribution of alcoholic beverages; operate efficient, conveniently located retail outlets; enforce the laws of the Commonwealth regarding alcoholic beverages and youth access to tobacco products; and provide excellent customer service, a reliable source of revenue, and effective public safety.

### Agency IT Vision Statement:

To be the premier process driven IT organization in Virginia State Government. We will achieve the highest level of customer satisfaction by employing exceptional people, utilizing progressive technologies, and demonstrating dynamic leadership.

Total Employees: 2,000

Total IT Employees: 46

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## Project Selection Criteria:

In August 2000 ABC created an IT Steering Committee (ITSC) to ensure that IT initiatives are aligned with the agency direction. The ITSC consists of agency business directors; its members use a defined methodology to select, evaluate and prioritize project proposals. The objective of the selection process is to prioritize IT projects in order to resolve resource conflicts and optimize ABC business objectives. Each project is objectively rated using a defined process consisting of submittal criteria, project categorization, and weighting factors. Business metrics are an integral component of the submittal criteria. Projects with an anticipated cost greater than \$100,000 or 6 months duration are presented to the ITSC.

The Project Proposal is presented to the ITSC by the business champion. After relevant discussion the project is assigned a category with an associated weight factor. The ITSC then scores (1,3,5) the project attributes (Compliance with law or regulation; Contribution to Profit; Cost; Time to Complete; Business Benefit; # of Customers impacted) to derive a rating. The rating is multiplied by the weight to calculate a final project score.

## Business Case Development:

The business has begun using the Senate Productivity Quality Award (SPQA) criteria as a framework to guide its management practices. SPQA criteria for a high performance organization includes strong leadership with a comprehensive and coordinated strategic plan that is customer and market focused, promotes management by information and data, excels in process performance and improvement, has a well developed and motivated workforce and manages by results in key performance areas. In addition to development of a strategic plan, the deployment through action and implementation plans, and measurement of the results has major importance.

Within this framework the agency's directors create strategic goals and then leverage agency creativity by forming cross-functional teams, lead by high-potential employees, to identify strategies to address the high-level goals.

From the team results, agency leadership selects which strategies will be pursued and funded. Implementation teams are chartered to develop a business case that will include cost/benefit, alternatives, risk and recommendations. The findings are presented to the agency's executive staff for final project approval.

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Risk Assessment Methodologies:

ABC uses a defined process to identify and minimize project risks. The plan identifies potential risks, prioritizes the risks, describes triggers that indicate change in risk, and describes a process to implement corrective action to reduce risks and achieve a successful implementation.

ABC has a Risk Questionnaire that breaks the project into 11 Risk Areas. Each Risk Area is defined by multiple Components that further describe the critical nature and associated issues. These 57 Components are deemed critical for successful completion of the project.

Components scored as 'High' are further analyzed, mitigated, and tracked. Additional questions are answered to delineate properties of the high risk Component. Each question is assigned a probability-of-risk and severity-of-impact. The score for the probability-of-risk and severity-of-impact are multiplied to produce an overall risk magnitude. Risk mitigation plans are created for Components that have a high overall risk magnitude.

Prioritization Schema:

The Project Proposal is presented to the ITSC by the business champion. After relevant discussion the project is assigned a category with an associated weight factor. The ITSC then scores (1,3,5) the project attributes (Contribution to Profit; Cost; Time to Complete; Business Benefit; # of Customers impacted) to derive a rating. The rating is multiplied by the weight to calculate a final project score.

Projects are prioritized by high-to-low score.

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## Core Business Activities:

Core Business Activity Title	Core Business Activity Description	Core Business Activity Sub-Function Title	Core Business Activity Sub-Function Description
MANUFACTURING AND MERCANTILE SERVICES	Efforts to manage and operate production and commodity activities.	Alcoholic Beverage Merchandising	Efforts to purchase, distribute, and sell alcoholic beverages other than beer.
MANUFACTURING AND MERCANTILE SERVICES	Efforts to manage and operate production and commodity activities.	State Lottery Operations	Efforts to operate, regulate and maintain the Virginia State Lottery.
CRIME DETERRENCE, SUPPRESSION AND CONTROL	Efforts to prevent crime, fraud, and other illegal or dangerous activities, investigate and detect criminal or illegal acts, and apprehend and detain violators of the law.	Crime Detection, Investigation, and Apprehension	Efforts to detect and investigate crime and to apprehend criminals in order to protect persons and property from illegal actions.

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## Key Customers Associated With Each Core Business Activity :

Core Business Activity Title	Core Business Activity Description	Core Business Activity Sub-Function Title	Core Business Activity Sub-Function Description
CRIME DETERRENCE, SUPPRESSION AND CONTROL	Efforts to prevent crime, fraud, and other illegal or dangerous activities, investigate and detect criminal or illegal acts, and apprehend and detain violators of the law.	Crime Detection, Investigation, and Apprehension	Efforts to detect and investigate crime and to apprehend criminals in order to protect persons and property from illegal actions.
<p>Key Customers</p> <ul style="list-style-type: none"> <li>ABC Employees</li> <li>ABC Store Customers</li> <li>Colleges, Universities</li> <li>Community Groups</li> <li>General Public</li> <li>Licensees</li> <li>Local Governments and Law Enforcement</li> <li>Schools</li> <li>Vendors</li> </ul>			
MANUFACTURING AND MERCANTILE SERVICES	Efforts to manage and operate production and commodity activities.	Alcoholic Beverage Merchandising	Efforts to purchase, distribute, and sell alcoholic beverages other than beer.
<p>Key Customers</p> <ul style="list-style-type: none"> <li>ABC Employees</li> <li>ABC Store Customers</li> <li>Local Governments and Law Enforcement</li> <li>Vendors</li> </ul>			
MANUFACTURING AND MERCANTILE SERVICES	Efforts to manage and operate production and commodity activities.	State Lottery Operations	Efforts to operate, regulate and maintain the Virginia State Lottery.
<p>Key Customers</p> <ul style="list-style-type: none"> <li>ABC Employees</li> <li>ABC Store Customers</li> <li>Local Governments and Law Enforcement</li> <li>Vendors</li> </ul>			

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## Key Activities and Associated Outcomes:

<u>Key Activity</u>	<u>Associated Outcome</u>
Compliance by ABC stores with underage sales laws	Move towards 100% compliance, reach and maintain 98% by 2006
Compliance by private business with underage sales laws	Move toward 100% compliance, reach and maintain 90% by 2006
Fair & equitable hearings process	20 days to process an ABC violation in the Enforcement Bureau, schedule a hearings within 30 of receipt in the Hearing Division and issue an initial decision of hearings officers within 30 days after hearings are conducted.
Increase number of stores	300 ABC stores by 2006 achieving at least a 1-25,000 ratio of stores to population.
Increase revenues returned to the general fund and localities	Reach \$500 million gross sales by 2006 increasing contributions to the General Fund and localities.
Product Management	Maintain at least 98% product availability (2% stockouts), while expanding the number of products carried.
Promoting responsible selling, serving & consumption	Reduction in high-risk drinking statistics
Prompt & equitable licensing process	60 days to process an ABC license application
Systems, policies, and practices for workforce management and retention	Reduced turnover, increased diversity, training and development opportunities
	Reduced turnover, increased diversity, training and development opportunities; compliance with state law and policy



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## Major IT Projects

Approved for Preliminary Planning — The following project(s) scheduled for initiation in the 2004-2006 Budget Biennium is (are) approved for inclusion in your IT Strategic Plan. A project proposal must be submitted to the CIO before the project(s) will be considered for planning approval. Procurements in support of the project(s) are not approved for submission to the VITA Project Management Division (PMD) for execution until the project has been Approved for Planning by the CIO. For detailed instructions refer to the Interim Procedures for the Initiation and Approval of Major and Non-major Information Technology Projects.

<http://www.vita.virginia.gov/projects/cpm/cpmDocs/projectInitInterimProcs030903.doc>

There are no major projects approved for preliminary planning.

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Approved for Planning — The following project(s) scheduled for initiation in the 2004-2006 Budget Biennium is (are) approved for planning. This approval constitutes authorization to undertake the planning necessary to complete a detailed project proposal and project charter for consideration by the Secretariat Oversight Committee and the CIO. Projects "Approved for Planning" must be formally approved for development by the Commonwealth IT Investment Board prior to beginning Phase 3 of the project lifecycle (Project Planning) and execution as defined in the Commonwealth Project Management Guideline. Procurements in support of developing the detailed project proposal and charter are approved for submission to the VITA Project Management Division (PMD) for execution, in accordance with PMD procedures. For detailed instructions refer to the Interim Procedures for the Initiation and Approval of Major and Non-major Information Technology Projects.

<http://www.vita.virginia.gov/projects/cpm/cpmDocs/projectInitInterimProcs030903.doc>

There are no major projects approved for planning.

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Active Projects — The following project(s) are(is) scheduled to continue in the 2004-2006 Budget Biennium as an Active Project. All Active Projects must be tracked on the Commonwealth Information Technology Major Projects Dashboard and are subject to monthly review by the CIO. The CIO is authorized to assess progress of all Active Projects and recommend termination of a project to the Commonwealth IT Investment Board.

There are no major projects in the active projects category.

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Collaboration Opportunity — The following project(s) is (are) designated as a Collaboration Opportunity. Your agency should consult with the other agencies listed on the corresponding collaboration report and evaluate whether collaboration between agencies on these projects is feasible. The results of your collaboration efforts and evaluation should be reported when the project is presented to the Commonwealth IT Investment Board for "Development Approval".

There are no collaboration opportunity projects.

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## Major IT Procurements

Approved Major IT Procurements - The following major procurements are approved for submission to the VITA Project Management Division (PMD) for execution in accordance with PMD procedures.

There are no approved major procurements.

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Disapproved Major IT Procurements - The following major procurements are not approved for submission to the VITA Project Management Division (PMD). The agency should not take any action on the major procurements listed below.

There are no disapproved major procurements.

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## Non-major IT Projects

Approved for Planning— The following project(s) scheduled for initiation in the 2004-2006 Budget Biennium is (are) approved for planning. This approval constitutes authorization to undertake the planning necessary to complete a detailed project proposal and project charter for consideration by the CIO. Projects "Approved for Planning" must be formally approved for development by the CIO prior to beginning Phase 3 of the project lifecycle (Project Planning) and execution as defined in the Commonwealth Project Management Guideline. Procurements in support of developing the detailed project proposal and charter are approved for submission to the VITA Project Management Division (PMD) for execution, in accordance with PMD procedures. For detailed instructions refer to the Interim Procedures for the Initiation and Approval of Major and Non-major Information Technology Projects.

<http://www.vita.virginia.gov/projects/cpm/cpmDocs/projectInitInterimProcs030903.doc>

Project Formal Title	Planned Start Date	Planned Completion Date	Estimate At Completion
Customer Personalization	05/01/2004	09/01/2004	\$175,000.00
Data warehouse	03/01/2004	06/30/2005	\$250,000.00
Enforcement Integration and Hearings Efficiency (\$200k Grant)	02/01/2004	12/01/2004	\$390,000.00
Licensee and consumer Internet commerce	07/01/2004	07/01/2005	\$250,000.00
Store Infrastructure Upgrade	01/02/2005	01/01/2006	\$500,000.00
Supply Chain Integration	10/01/2004	07/01/2005	\$580,000.00
Voice Activated Picking	11/01/2005	06/04/2006	\$360,000.00

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## Non-major IT Procurements

Approved Non-major IT Procurements - The following non-major procurements are approved for submission to the VITA Project Management Division (PMD) for execution in accordance with PMD procedures.

Procurement Description	Planned Procurement Delivery Date	Estimated Procurement Cost
Equipment for store growth	09/01/2004	\$350,000
Equipment for store growth	11/01/2005	\$280,000
License and support renewal, Point Of Sale	06/01/2005	\$285,000
License and support renewal, Point Of Sale	07/01/2004	\$285,000
License and support renewal, Point Of Sale	06/01/2006	\$295,000
License renewal, Optum MOVE	12/01/2004	\$130,000
License renewal, Optum MOVE	12/01/2005	\$135,000
SAN storage increase	10/01/2004	\$250,000
Store Hardware support renewal	11/01/2004	\$445,000
Store Hardware support renewal	10/01/2005	\$445,000

Disapproved Non-major IT Procurements - The following non-major procurements are not approved for submission to the VITA Project Management Division (PMD). The agency should not take any action on the major procurements listed below.

There are no disapproved non-major procurements.